ad valorem rates were replaced by specific rates of duty for various sizes of tyres. These rates have not been revised. However, prices of tyres, particularly bus and truck tyres have increased considerably thereafter and the incidence of duty has come down. The MODVAT scheme was extended to tyres in the year 1986 as a result of which the incidence of duty on tyre manufacturers has been further reduced in absolute terms.

Raw material crisis in Paper Industry

2247. SHRI PARVATHANENI UPENDRA: Will the Minister of INDUSTRY be pleased to state:

(a) whether the paper industry is facing a serious raw material crisis; and

(b) if so, the steps taken by Government to meet the situation?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) Inadequate availability of raw materials, particularly, forest raw materials is one of the major constraints faced by the paper industry.

(b) In order to enable the industry to overcome the problem of raw material availability, the following facilities and concessions have been extended to the industry:—

(i) Import of pulp, waste paper, wood chips and logs have been placed under Open General Licence. Import of pulp and wood chips is allowed free of customs duty, while nominal duty is charged in the case of waste paper and logs.

(ii) Paper industry is encouraged to use non-conventional raw materials i.e. raw materials other than bamboo, hard woods, soft woods, reeds or rags. Paper and paperboard manufactured out of non-conventional raw materials is charge concessional excise duty. Full exemption is available for paper containing not less than 75 per cent by weight of pulp from bagasse. Manufacture of writing, printing & wrapping paper from agricultural residues, wastes and bagasse has been de-licensed.

Setting up of Gas Turbine Units

2248. SHRI PARVATHANENI UPENDRA: Will the Minister of ENERGY be pleased to state:

(a) whether Government are considering to allow the State Governments to set up gas turbine units to meet the power crisis;

(b) whether Government have decided to allow foreign financial institutions and companies to invest money in such projects; and

(c) if not, what are the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF POWER IN THE MINISTRY OF ENERGY (SHRIMATI SUSHILA ROHATGI): (a) to (c) Proposals in respect of setting up gas turbine plants are examined keeping in view the availability of gas/fuel, the power requirements of the Region and other relevant techno-economic considerations. Gas-based power plants of an aggregate capacity of 898.5 MW are presently in operation in the country.

While primary reliance continues to be placed on plan resources and on indigenous sources of supply of power equipment, in view of the overall resource constraint, external assistance for some power projects is resorted to on a case-to-case basis. Specific offers received in this regard are examined on the basis of the merits of each case.

Hindustan Cables Limited

2249. SHRI SUNIL BASU RAY:
DR. R. K. PODDAR:
SHRI MOSTAFA BIN QUASEM:

Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that Hindustan Cables Limited, Rupnarayanpur unit in

West Bengal has been a pioneer in the field of manufacturing telecommunication cables for the last 30 years achieving higher production, profit and productivity and running with optimum efficiency;

(b) whether because of obsolescence of technology the production of paper insulated dry core cables at Rupnarayanpur, West Bengal, is likely to be stopped by 1988-89 and whether the proposal for expansion of 18 lakh CKM Jelly Filled cable as placed by HCL Rupnarayanpur unit in the year of 1981, which was duly recommended by pre-PIB and PIB, to replace the obsolescent technology has been approved by Government.

(c) if not, what are the reasons therefor;

(d) if expansion for replacement of paper insulated cable by Jelly Filled Cables is not agreed to by Govt. whether the unit is likely to become a sick industry within a few years time and if so, what is the alternative proposal of Government to make this industry viable; and

(e) whether the optical fibre project is proposed to be set up at Allahabad in the State of Uttar Pradesh despite the fact that infrastructural facilities and huge industrial experience are abundantly available at HCL Rupnarayanpur unit?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) Rupnarainpur Unit of Hindustan Cables Limited (HCL) which was set-up in 1954 has, by and large, been achieving a significant growth in production, sales and profit.

(b) to (d) The Department of Telecommunications have indicated their intention to HCL to phase out the purchase of Dry Core Cables manufactured by HCL by the end of 1989-90. HCL have submitted schemes to Govt. for conversion of their existing capacity for Dry Core Cables to that for Jelly Filled Cables.

HCL's proposal for expansion of capacity by 18 lakh Conductor Kilometers (CKM) for manufacture of Jelly Filled Cables at Rupnarainpur Unit was earlier considered by Govt. but was deferred pending finalisation of targets of the Telecommunications sector for 7th Plan. However, owing to demand as also resource constraint, no further progress could be made so far. Meanwhile, the company has been advised to revise the cost estimates of the project. HCL have also proposed some diversification/modernisation schemes. With the implementation of the above schemes the company would continue to be viable.

(e) After taking into consideration all the relevant factors, it has been decided to locate the proposed Optical Fibre Project at Naini, Distt. Allahabad (UP).

घाटे में चल रहे सरकारी क्षेत्र के एकक

2251. **श्रीमती रेणुका चौधरी :**
श्री राम अवधेश सिंह :

क्या **उद्योग** मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या सरकार का ध्यान दिनांक 30 अक्तूबर 1987 के "इकोनोमिक टाइम्स" में "37 स्टेट यूनिट्स लूज रुपीज 130 करोड़" शीर्षक के अन्तर्गत प्रकाशित समाचार की ओर दिलाया गया है ;

(ख) यदि हां, तो इस संबंध में ब्यौरा क्या है ; और

(ग) इस संबंध में सरकार की भावी योजनाएं क्या हैं ?

उद्योग मंत्रालय में औद्योगिक विकास विभाग में राज्य मंत्री (श्री एम. अरुणाचलम्) : (क) जी, हां।

(ख) और (ग) एक विवरण संलग्न है।